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United States and Central Asian Countries Sign Regional Trade and Investment Framework Agreement

WASHINGTON - U.S. Trade Representative Robert B. Zoellick and representatives from the five Central Asian countries, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, signed a Trade and Investment Framework Agreement (TIFA) today that will provide a forum to address trade issues and will help enhance trade and investment between the United States and Central Asia.

"More than a decade after independence in Central Asia the countries in the region are exploring new ways in which to open and liberalize trade. The United States is pleased to be a partner in this historic agreement with the five Central Asian countries" said Zoellick.

"The objective of the TIFA is to increase and diversify trade and investment opportunities between the United States and Central Asia. We look forward to working closely through the TIFA to further strengthen our bilateral economic relationships and our relationship with the region as a whole" commented Zoellick.

"The TIFA will also provide a regular forum in which to address regional trade issues that hamper intra-regional trade and economic development and can act as impediments to investment. The TIFA will not only deepen our economic relationship with the Central Asian countries but will also create stronger trade ties among the five countries in the region" added Zoellick.

Joining Zoellick in signing the agreement were Kazakh Ambassador to the United States Kanat Saudabayev, Kyrgyz Ambassador to the United States Baktybek Abdrisaev, Tajik Ambassador to the United States Khamrokhon Zaripov, Turkmen Ambassador to the United States Meret Orazov, and Uzbek Ambassador to the United States Abdulaziz Kamilov.

The TIFA creates a United States-Central Asia Council on Trade and Investment that will consider a wide range of issues that include, but are not limited to, intellectual property, labor, environmental issues, and enhancing the participation of small- and medium-sized enterprises in trade and investment. The TIFA Council will establish an ongoing dialogue which will help increase commercial and investment opportunities by identifying and working to remove impediments to trade and investment flows between the United States and Central Asia.

The United States has TIFAs with a number of countries in order to enhance trade ties and coordinate regionally and multilaterally through regular senior-level discussions on trade and economic issues.

Regular, ongoing dialogues established through TIFAs with other countries and regions have been very successful and have led to concrete, positive results. The Central Asia TIFA would complement the ongoing efforts of the three Central Asian countries currently negotiating accession to the WTO (Kazakhstan, Tajikistan and Uzbekistan) and U.S. cooperation with Kyrgyzstan as a WTO member.

Background:

The five countries of Central Asia have a combined population of 55.9 million. U.S. imports from Central Asia totaled \$570.5 million in 2003; U.S. exports amounted to \$548.1 million in that same year. Major exports to the region include machinery and equipment, chemicals, agricultural products and aircraft. Major imports from Central Asia include mineral fuels, chemicals, textiles, metals and cotton.

The United States is aggressively working to open markets globally, regionally, and bilaterally and to expand American opportunities in overseas markets. In a January 2004 letter to the 146 WTO members, Zoellick urged Members to revive the global trade talks. In February Zoellick traveled over 30,000 miles and met with over 40 WTO members in strategic consultations. Immediately following that trip, Zoellick traveled to San Jose, Costa Rica for meetings February 23-24 with ministers from the Cairns Group of agriculture exporting countries to discuss liberalizing trade in agriculture within ongoing World Trade Organization (WTO) trade negotiations.